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# Quality Assurance Bulletin

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Program Support Bureau

County of Los Angeles - Department of Mental Health

Marvin J. Southard, DSW, Director

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## Medi-Cal Lockouts & MHSA Funding

### Background

This Bulletin is being issued in conjunction with the existing Quality Assurance Bulletin 07-2. It gives additional information regarding Medi-Cal lockouts and funding available for Mental Health Services (MHS) and non-discharge planning Targeted Case Management (TCM) when Medi-Cal lockouts exist. Please be sure to review QA Bulletin 07-2 in addition to reviewing this Bulletin ([http://file.lacounty.gov/dmh/cms1\\_159861.pdf](http://file.lacounty.gov/dmh/cms1_159861.pdf)).

Quality Assurance Bulletin 07-2 states that “the Department must rely on outpatient providers to submit claims only to County General Funds when services are provided in a 24-hour facility with claiming restrictions”. **Mental Health Services Act (MHSA) applicable programs, such as Full Service Partnership (FSP), Wellness, Field Capable Clinical Services (FCCS), or Prevention and Early Intervention (PEI), may utilize MHSA funding when MHS or non-discharge planning TCM services are provided to a client while hospitalized or incarcerated. These programs may also utilize MHSA Community Outreach Services (COS) funding, if available, to outreach to clients while hospitalized or incarcerated.**

### Medi-Cal Lockouts

A Medi-Cal lockout is a situation in which Medi-Cal reimbursement is not available. Below, are select examples of Medi-Cal lockouts (claiming restrictions) taken directly from the Organizational Provider’s Manual:

- All services provided in a jail or prison setting [CCR, Title 22, §50273(a)(1-8)].
- All services provided to persons aged 22 through 64 who are residents of an Institution for Mental Disease (IMD) [§1840.312(g)].
- Mental Health Services are not reimbursable on days when Crisis Residential Treatment Services [§1840.364(a)], Psychiatric Inpatient Hospital Services [§1840.215(c)], or Psychiatric Health Facility Services [§1840.370(h)] are reimbursed, except on the day of admission to any of these facilities.
- Mental Health Services are not reimbursable when provided during the same time that Crisis Stabilization-Emergency Room or Urgent Care is provided. Exception is Targeted Case Management [§1840.368(b)].
- Medication Support Services (MSS) are not reimbursable on days when Psychiatric Inpatient Services [§1840.215(c)] or Psychiatric Health Facility Services [§1840.370(g)] are reimbursed, except for the day of admission to either service.

Please refer to the Organizational Provider’s Manual pages 1-3, 2-6 and 2-11 for additional information on lockouts. The Organizational Provider’s Manual is located at [http://dmh.lacounty.gov/wps/portal/dmh/admin\\_tools/prov\\_manuals](http://dmh.lacounty.gov/wps/portal/dmh/admin_tools/prov_manuals).

**Note:** While lockouts exist for MHS and MSS on days when Psychiatric Inpatient Services or Psychiatric Health Facility Services are reimbursed, there is an exception for Targeted Case Management-Discharge Planning services. TCM-Discharge Planning services may be claimed to Medi-Cal for the “purpose of coordinating placement of the client upon discharge from the psychiatric inpatient hospital, psychiatric health facility or psychiatric nursing facility...during the 30 calendar days immediately prior to the day of discharge, for a maximum of three nonconsecutive periods of 30 calendar days or less, per continuous stay in the facility” (See Organizational Provider’s Manual page 2-15).

**Using MHSA Funding when Medi-Cal Lockouts Exist**

MHSA guidelines allow services to be claimed to MHSA for any applicable MHSA program when a client is incarcerated or admitted in an inpatient psychiatric facility for purposes of discharge planning or ongoing care coordination even when Medi-Cal lockouts exist. Mental Health Services, non-discharge planning TCM or COS Services may be claimed to full-cost MHSA, if funding is available, for all applicable MHSA programs in order to outreach or provide needed services to a client while incarcerated or hospitalized. However, these claimed services should be minimal due to the intense nature of the hospitalization and incarceration. Providers must follow hospital and jail protocols for coordinating service delivery in these facilities.

**To ensure that full-cost MHSA funding is used for the above services (MHS or non-discharge planning TCM) and NOT Medi-Cal, providers must uncheck the Medi-Cal box in the Integrated System (IS). In addition, Providers must verify that they have sufficient funding prior to claiming the full-cost of these services to MHSA.**

If you have questions regarding the information in this QA Bulletin, please contact your Service Area QA liaison.

c: Executive Management Team  
District Chiefs  
Program Heads  
Department QA staff  
QA Service Area Liaisons

Judith Miller, Compliance Program Office  
Nancy Butram, Revenue Management  
Pansy Washington, Managed Care  
TJ Hill, ACHSA  
Regional Medical Directors